467 the workers; and (4) to improve the living standard of the masses.[5]

B. Labor Disputes and the Labor Bureau

• 468 The first step in settling labor disputes consists of consultation between the representatives of the workers (the trade unions) and the management, in the case of publicly-owned enterprises, and between the trade-unions and the owner, in the case of private enterprises. In 1949 and 1950 various kinds of consultation agencies were established in factories, mines, and other public and private enterprises in North China such as the Labor-Capital Consultative Council and the Factory Administration Committee. In 1950 in Peking, more than 70 private enterprises established labor-capital-consultative councils, and 28 public enterprises established factory administrative committees.[6] In Taiyuan, where there were then no large-scale industries, collective contracts were used to settle labor disputes.

If consultation fails, disputes are brought to the government labor bureau for mediation and arbitration. A labor bureau is established at every level of the government. According to a report made by the Peking government labor bureau, from June to October 1949, 190 labor

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5. Ibid., Oct. 3, 1950, p. 4.
6. Ibid., May 28, 1950; June 1, 1950.

468 disputes were submitted to the bureau for mediation. Some 77 per cent accepted the mediation or arbitration of the bureau.[7]

466 According to an analysis made by the labor bureau of Tangshan, an industrial district in North China, 73 per cent of the labor disputes in private enterprises in that area involved the dismissal of workers as a result of the economic slump which followed the Communist invasion of North China in 1948. In most cases, the labor bureau, with the help of trade unions, advised the workers to accept lower wages so that the discharged workers could be rehired and the enterprises concerned would be kept going. That "capital and labor should be united in the struggle for victory in the reconstruction of the Nation" was considered the basic principle for handling all disputes between workers and management. Workers were urged to recognize the close relationship between labor and management and to endeavor to help management. During March and May 1950, when the economic situation was at its worst, many workers "voluntarily" requested cuts in their wages and others agreed to rotation employment.[8]

C. The Apprentice System

Before the Communist regime, the apprentice system was used in handicraft industries,

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7. Ibid., Dec. 29, 1949, p. 4.

8. Cheng-fu Kung-tso Pao-kao Hui-pien [Compendium of Government Reports], Peking, Jen-min ch'u-pan-she, 1951, p. 269.

4: Burgess E-4.5 (1926-1927) 1928 AF12 North China AF12

regulations allowed. The story of the cruel beating to death of an offender in Foochow is described by Macgowan.[1] Macgowan points out, however, that such procedure is very unusual and that difficulties within the guild are usually settled without undue friction.

Strikes of employees against employers took place in Peking in 1885 when both the Shoe Makers and Jade Workers struck for higher wages, both failing to secure their demands.[2]

The Jade Workers asked that they be paid 6 cash instead of 4 for making a hole in the mouth-piece of a pipe. Their demand was refused by the employers and the case was taken before the gild. Most of the judges who heard the case were store owners, and they decided against the workers. The men went on strike, but were unable to successfully maintain it, as they had no money with which to support their families. Even though there has been no strike since then, the wages of the Jade Workers have risen a full 100 per cent in the last 15 years.

When the Shoemakers went on strike, their case was taken before the officials. They claimed that the men had no just cause for striking, and ordered them to return to work. In giving their decision, the officials advised the employers to hire new men if their regular workers would not return at the old rate.[3]

An important consideration in judging the significance of the decisions is the fact that strikes by employees against employers were illegal under the laws of the Manchu Dynasty. The employers would therefore naturally be favored in the decisions.

Macgowan, *op. cit.*, pp. 182-183.
Gamble and Burgess, *op. cit.*, p. 195.
Ibid., p. 196.

4: Burgess E-4, 5 (1926-1927) 1928 AF12 North China AF12

DISPUTES

Most of the guilds studied in Peking are completely autonomous (except in the case of the commercial guilds, which agreed to certain restrictions on joining the Chamber of Commerce). There are, however, in certain cases, close relationships between the guilds of certain occupations. The Shoe Fasteners' products are necessarily bought by the Shoe Stores, while the Confectionery Makers supply their products to the Confectionery Stores. The Carpenters, Masons, and Painters are closely related in building enterprises. Frequently the same guild founder is worshiped by guilds of related trades.

The records of Peking guilds show that there is frequent friction between the Awning Makers and the Mat Tent Builders. The Confectionery Makers have struck several times, demanding higher wages from the Confectionery Stores' managers.

In 1900 the Shoe Fasteners struck to increase the rates paid for their work by the Shoe Stores, and they received the increase. In 1912 another dispute arose between these guilds because the Shoe Stores "stopped giving out work." The Shoe Fasteners brought the matter before the civil court and sued the Stores for damages. The matter was patched up, the Shoe Stores expressing apology and good will by inviting the Shoe Fasteners to a feast! Relations thereafter were amicably renewed. In 1924 the Shoe Fasteners again struck for an increase in wages.

CONFLICTS WITH THE OFFICIALS

The weapon of the strike is used most powerfully and frequently with far-reaching effects against grasping or exorbitant officials. The revision of rules of the Wenchow Carpenters Guild when officials attempted to demand more

4: Burgess E-4.5 (1926-1927) 1928 AF12 North China AF12

work of the Carpenters than they felt they should give on public repairs, is a good illustration of the method of the guilds in dealing with officials.

Revision of Rules. Our trade is represented before the mandarinate by five headmen (selected by the carpenters from their craft, who are recognized by magistrates, and on whom demands are made when repairs of yamens are needed), who undertake public works. Heretofore they have conformed to rule, exacting one day each year for our employment for mandarins, for which one hundred *coppers* per diem was paid, and three meals, and in lieu of that service, an exaction of a hundred *cash*. But now there is a demand for additional service, which we refuse to render, or to pay money in lieu thereof, and there are none to perform needful repairs of the public offices. On this emergency the mandarinate have ordered us to elect five other headmen, who shall act in accordance with established rules, that hereafter no more than one day's work in a year shall be exacted of us, nor more than a hundred *cash* in commutation for such service. This we have done; and we have agreed that when any member of the Union refuses to pay that amount, the newly elected headmen shall mulct the masters who employ them. [Macgowan adds] This strike, like all others that take place, ended in the triumph of wage-earners.[1]

Our records show friction between the local government and the guilds in many cases. The Scavengers Guild in 1925 refused to empty the public latreens because of a new police regulation which forbad the pushers to stand their wheelbarrows in certain places on the street. After several days, owing to the pressure of citizens of the West City who were greatly inconvenienced by the failure of scavengers to appear, the police regulations were rescinded. The reorganization of several of the guilds in Peking was clearly the result of a conviction on the part of the members that

[1] Macgowan, *op. cit.*, p. 173.

4: Burgess E-4, 5 (1926-1927) 1928 AF12 North China AF12

BOYCOTTS

* 441 * 467 •468 648 A powerful means of bringing the offender to terms is the boycott. Many instances are cited by writers on the guilds of the complete economic isolation and social ostracism of guildsmen who refuse to conform to guild decisions. Such treatment usually brings them to terms quickly.

The same weapon has been used against foreign shipping concerns by Chinese guildsmen in Canton, Shanghai and other ports. Failure to comply with guild rules or offense against what guildsmen consider the principles of justice on the part of a foreign shipping concern may result in inability to secure any workers to load or unload the ships. The boycott has been used on a larger scale not only by individual guilds but by the combined merchant and student class of China in dealing with international injustices. The most striking recent instance is the boycotting of British trade in Canton, which was a protest against the shooting of students in Shanghai by the municipal police on May 30, 1925. The tremendous strength, determination and unity of spirit exhibited in these boycotts has in recent years become a factor of first importance in the settlement of international questions in the Far East.

E. Source of the Guilds' Power

* 441 * 467 125 The cohesive strength of a Chinese guild when in action, whether in standing together against the encroachment of the officials or in demanding higher pay for the services of its members, is one of the outstanding characteristics of these groups. Is it possible to discover the source of this unquestioned solidarity?

The guildsmen's own testimony as to what they considered the factors that held the guild together and made it possible for united action is recorded in Table XVIII. Two questions were asked — the first was a direct inquiry as to the source

4: Burgess E-4, 5 (1926-1927) 1928 AF12 North China AF12

ment. From these stipulations it is seen that there is a very direct relationship between the party and the workmen. But it must also be pointed out that the party has more laws and regulations on the labor unions than on the gilds. This may be explained by the fact that the Kwo Min Tang has been struggling hard to reorganize the gilds into unions, and that in as far as those regulations do not prohibit gilds they are also applicable to the gilds.

(2) Basis of organization is industrial rather than trade: This means that the Kwo Min Tang encourages the craft gilds to change into industrial unions, if it is possible for them to do so. In Nov. 1924, the late party chief promulgated trade union regulations, including the following provision, which in effect states that the party encourages the principle of organization of trade unions by industry, with the possibility, in view of the importance of handicrafts among Chinese industries, of organization also by craft. Here we see the party's emphasis upon industrial unions.

(3) Legality of the strike: The gild infrequently used the strike because strike as a method of improving the workers' condition was prohibited (and still is) by Chinese law—especially the Penal Code and police regulations. But in the labor union regulations of 1924 above referred to, the strike is declared lawful.

(4) Abolition of compulsory membership.

(5) Arbitration by government commission: This is provided for in the commercial and industrial disputes provisional regulations of Dec. 1926. The scope of these regulations covers four classes: merchants, small merchants in handicrafts (who employ three men or less per shop), labor unions and public utilities. The arbitration board is organized as follows: One member is appointed by the government, two members are selected from the interested parties. If the dispute involves more than two parties their delegates may be increased. When a decision is handed down by the commission, it is binding on all parties concerned, and the government will enforce the decision by compulsion if necessary.